

## FINANCIAL AND COMMERCIAL

OPERATIONS ON  
A SMALL SCALEPrices Drifted Aimlessly in Wall  
Street Yesterday.

## GENERAL TREND DOWNWARD

REVIEW OF THE CONDITIONS OF  
THE PAST WEEK.

New York, Nov. 14.—Trading in today's stock market was listless and narrow. Operations were on too small a scale to offer anything of a representative character. There were a few points of strength, including Chicago & Alton, on a revival of rumors of its possible absorption as a connecting link in a larger system. The market as a whole failed to show a continuation of yesterday's movement to cover shorts, and prices drifted rather aimlessly. The bank statement proved decidedly more favorable than the forecast had indicated, but nevertheless its publication was followed by a brief selling movement which centered upon Pennsylvania, costing that stock the greater part of yesterday's gain. Reading and Amalgamated Copper also lost more than a point, and the whole list receded to below last night's closing.

The decline in the cash reserves of the banks proved to be only \$2,513,375. Yesterday's estimate indicated an outflow for the week of \$4,000,000, without allowance for yesterday's arrival of foreign gold to the amount of \$1,000,000. The deposit liabilities of the banks have been reduced by \$1,823,000, principally through the loan contraction of \$10,240,000. The reserve requirement is thus diminished to the amount of \$3,527,000, leaving an increase in the surplus of \$4,000,000. With the falling off of the movement of currency to the interior and the supply of foreign gold at a standstill, the money market prospect seems to offer no occasion for uneasiness, without counting the likelihood of a considerable further movement of gold this way. The market closed and heavy.

Enormous selling of the United States Steel securities, followed by selling of a similar character in Pennsylvania, has disturbed the stock market during the week. The sympathetic effect of the weakness of these stocks has been repeated for a time and the general market showed a degree of firmness, but ultimately succumbed and yielded to a lower level. The source and the motives of the selling have been subjects of wide conjecture, much of which appeared in the form of assertions that could not be verified. The diligent activity of a large and well-organized bear party accounted for none of the rumors set afloat, and a large part of the dealings in the most prominent stocks was evidently for professional account in the form of trading in and out for short turns on the movement, without affecting the actual holdings permanently. But the success attending these professional operations and the steady downward course of prices pointed to a process of actual liquidation and compelling causes for it which undermined speculative confidence and weakened the whole market. The course of the United States Steel stocks had for the most obvious reason, the announced depressed condition of the iron and steel trades, been freely acknowledged. The professional forces of the bear campaign against these securities apparently fixed for an objective the price of 50 for the preferred and 10 for the common, and these points were touched by both stocks and overruled by 1 for the preferred. Large covering of short contracts then followed, and rallied both stocks.

## Covering Movement.

The covering movement was encouraged by the formal announcement of the decision to cut prices no further than had been done in contradiction to numerous rumors of persistent circulation. But sentiment over the further developments in this important index trade is still much unsettled and doubtful. The effect upon a consumptive demand of the new basis of prices is awaited. Continued discussion of plans of economic measures by reduction of wages and agitation for reduction of freight rates on iron and steel products has suggested indications of further contraction in the trade. The developments have indicated the futility of the United States Steel corporation as a device for maintaining stability in the trade as had been hoped for at its formation. The retracement which the corporation had been able to exercise upon the rise in prices during the period of active demand was proved ineffectual to conserve that demand and the present cut in prices point, to the necessity of old methods to stimulate demand afresh. The result has been to arouse fears that the depression of an interval of extreme depression in the trade must be faced. Greater confidence is now felt in the power to resist production and prevent the unprofitable accumulation of stocks. But the effect of this process upon earning power and dividend payments is dreaded. Account must also be taken of the effect of the operations of the preferred stock conversion syndicate. It is made occasion for criticism that while this syndicate is under contract with the corporation at an agreed commission of 4 per cent on the par value of the stock, it has converted the heavy decline in prices of the corporation's preferred stock is made, by force of circumstances, to increase the profit on the syndicate's operations.

## Low Price For Steel.

On Tuesday of this week, when United States Steel preferred touched 48, the low price for the second mortgage bond was 65, thus offering a margin of 153 points of profit on the conversion of preferred stock into bonds, besides the 1 per cent commission to the syndicate. The syndicate was a large buyer of the preferred stock on Tuesday, and this helped to rally the price. No authoritative information can be had as to the syndicate's operations remaining to complete the conversion of the available stock. The depression in the iron and steel trade had a direct bearing on the movement in Pennsylvania, owing to the large tonnage of iron and steel products carried by that road. The falling off in the coal trade by both anthracite and bituminous was also offered a reason in Pennsylvania's weakness. But the principal cause of the selling of this stock was believed to be the large expansion in the capital of the system, which is in progress, and the extreme weakness of foreign exchange is attributed to the heavy offerings of bills against railroads, which have forced the exchange rate down to a gold export point, in spite of measures by foreign bankers to protect the gold supply. The gold movement is expected to render considerable proportions, and relief from the interior demand upon New York for currency is thus felt to be assured.

The recent notable absorption in the bond market has been halted, but prices have not yielded materially, and the old 3s and 4s, 1 per cent below the closing bid of last week.

## Stock Quotations.

	Sales.	High.	Low.	Close.
Aetna	12,400	64 1/2	63 1/2	63 1/2
Am. Express	100	100	99 1/2	99 1/2
B. O. P.	6,500	73 3/4	73 1/4	73 1/4
Chas. & Co.	100	117 1/4	117 1/4	117 1/4
Chas. & N. O.	100	100	99 1/2	99 1/2
Chas. & Alton	6,100	31	29 1/2	29 1/2
Chas. & W.	1,200	99 1/2	98 1/2	98 1/2
C. B. preferred	100	100	99 1/2	99 1/2
C. B. & North	200	162 1/2	162 1/2	162 1/2
C. B. preferred	100	100	99 1/2	99 1/2
C. C. & Co.	100	100	99 1/2	99 1/2
Colo. South.	100	115 1/2	115 1/2	115 1/2
First pref'd	100	100	99 1/2	99 1/2
Success pref'd	100	29	29	29
Del. & Hud.	100	100	99 1/2	99 1/2
Del. & Hud. preferred	100	100	99 1/2	99 1/2
D. & R. G.	100	100	99 1/2	99 1/2
Erle	4,700	26 1/2	26 1/2	26 1/2
First pref'd	100	99 1/2	99 1/2	99 1/2
Success pref'd	100	45 1/2	45 1/2	45 1/2
Gt. North. pref'd.	100	100	99 1/2	99 1/2
Hocke ally	100	100	99 1/2	99 1/2
Illinois Central	900	128 1/2	127 1/2	127 1/2
Illinois Central preferred	100	100	99 1/2	99 1/2